179

(3)

Supreme Court, U.S.
FILED
DEC 21 2010
OFFICE OF THE CLERK

No. 10-604

In the
Supreme Court of the United States

VICTOR MOSELEY and CATHY MOSELEY
d/b/a VICTOR'S SECRET, VICTOR'S LITTLE SECRET,
Petitioners,

v.

V SECRET CATALOGUE, INC.,
VICTORIA'S SECRET STORES, INC.,
and VICTORIA'S SECRET CATALOGUE, INC.,
Respondents.

On Petition for Writ of Certiorari to the United States Court of Appeals for the Sixth Circuit

PETITIONERS' REPLY BRIEF

VICTOR D. MOSELEY
CATHY MOSELEY
200 SYCAMORE ST. #173
ELIZABETHTOWN, KY 42701
(270) 737-5231
vmoseley@windstream.net

Petitioners Pro Se

December 21, 2010

Becker Gallagher · Cincinnati, OH · Washington, D.C. · 800.890.5001

TABLE OF CONTENTS

Page

TABLE OF AUTHORITIES ii

ARGUMENT 1

1. Respondents' Brief In Opposition Cries Unfair And Amplifies The Conflict Among The Courts Of Appeals. 1

2. The District Court, Circuit Court And Respondents Ignore Relevant Statutory Requirements And Provisions. 2

3. The Eight Federal Cases That The Circuit Court And Respondents Rely On Are Dissimilar From This Case. 4

4. Respondents' Claim That This Court's Remand Contemplated Further Proceedings Under The Proper Legal Standard And Did Not Resolve This Case Either Way Is Incorrect. 5

5. Respondents' Claims That Applying The TDRA To This Case Was Proper And Did Not Present A Retroactivity Issue Is Preposterous. 7

CONCLUSION 8

TABLE OF AUTHORITIES

CASES **Page**

Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.,
467 F. Supp. 366 (S.D.N.Y. 1979) 4

Kraft Foods Holdings, Inc. v. Helm,
205 F. Supp. 2d 942 (N.D. Cal., Dec. 6, 2007) . 6

Moseley v. V Secret Catalogue Inc.,
537 U.S. 418 (2003) 5, 6

Pfizer Inc. v. Sachs,
652 F. Supp. 2d 512 (S.D.N.Y. 2009) 4

Pillsbury Co. v. Milky Way Prods., Inc.,
215 U.S.P.Q. 124 (N.D. Ga. 1981) 4

STATUTES

15 U.S.C. § 1125(c)(1) 3

15 U.S.C. § 1125(c)(2)(C) 3

15 U.S.C. § 1125(c)(5)(B)(ii) 3

ARGUMENT

1. Respondents' Brief In Opposition Cries Unfair And Amplifies The Conflict Among The Courts Of Appeals.

One can only speculate on why the Circuit Court held this case in informal abeyance for four years after receiving the mandate of this Court in April of 2003. Respondents planted the seed that the Court of Appeals might have held this case for this extended period of time in order to afford Congress the opportunity to supersede the FTDA with new legislation to overrule the decision of this Court. See Pet. App. 35a-36a n.5. Respondents also assert that Petitioners are seeking to refight a battle they lost in Congress. *See* Brief In Opp., Intro. The implication of those statements suggest a strong inference that Respondents used their vast amount of resources to influence Congress and the Courts. The District and Circuit Courts took no time to render decisions in favor of Respondents, but the Circuit Court waited four years until the TDRA was passed to write a minimal remand to the District Court ignoring Petitioners motions for relief. Fairness and equity demanded that the Law of the Case Doctrine be applied and summary judgment should have been entered for the Petitioner, *reversing* the summary judgment granted to respondents. (emphasis added.) The failure of the Circuit Court to effectuate its judicial responsibility in a timely manner should not penalize Petitioners by rewarding Respondents with Petitioners adjudication.

Respondents argue that there is no conflict among the circuits on the meaning of the new statute, because the cases on which Petitioners rely do not involve sex-

related products. *See* Brief In Opp., Intro. Respondents would lead this Court to believe that the TDRA has two standards, one for those that sell sex-related products and one for those that do not. This is simply not true. There is no way to construe the plain language of the TDRA into two different standards. This is simply wishful thinking of Respondents. Respondents argue that the objective approach taken by the Second, Fourth, and Seventh Circuits are consistent with that of the subjective approach of the Sixth Circuit. *See* Brief In Opp., 11b-13b. One requires proof from the plaintiff that the junior "mark harms the reputation of the famous mark" as required by the TDRA. The other requires the defendant (only if they sell sex-related products) the burden of coming forward with evidence that the junior mark will not harm the reputation of the famous mark, which is nowhere in the TDRA. The conflict could not be more obvious and deserving of this Court's attention.

2. **The District Court, Circuit Court And Respondents Ignore Relevant Statutory Requirements And Provisions.**

The Lanham Act, as amended by the Trademark Dilution Revision Act of 2006, now provides in relevant part:

> Subject to the principles of equity, the owner of a famous mark that is distinctive, inherently or through acquired distinctiveness, shall be entitled to an injunction against another person who, at any time after the owner's mark has become famous, commences use of a mark or trade name in commerce that is likely to cause dilution by blurring or dilution by tarnishment

> of the famous mark, regardless of the presence or absence of actual or likely confusion, of competition, or of actual economic injury.

15 U.S.C. § 1125(c)(1).

Respondents could not possibly have a claim under the TDRA, as the very first requirement of this statutory provision requires that the junior mark "commences use" of a mark or trade name in commerce. Petitioners have not used the Victor's Secret or Victor's Little Secret names after the passage of the TDRA. In simple language, the Petitioners have not violated the TDRA.

Respondents claim that the new statute abrogated this Court's decision in the first round of this litigation by expressly authorizing the owner of a famous mark to obtain an injunction against the mark of a junior user that is likely to cause dilution by blurring or dilution by tarnishment of a famous mark. *See* Brief In Opp., 5. Respondent leaves out a very important part of the statutory language. For purposes of paragraph (1), 'dilution by tarnishment' is association arising from the similarity between a mark or trade name and a famous mark *that harms the reputation of the famous mark*. 15 U.S.C. § 1125(c)(2)(C) (emphasis added). The Courts and Respondent seem to look over this important part of this provision. Congress did not add "likely to harm" to this paragraph. Echoing that harm to the famous mark is a prerequisite to tarnishment by dilution and must be proven is Section 43 (15 U.S.C. 1125)(c)(5)(B)(ii) by reason of dilution by tarnishment, the person against whom the injunction is sought willfully intended to harm the reputation of the famous mark. A famous mark is *only* (emphasis added)

entitled to an injunction if the junior mark harms the reputation of the famous mark. The mere association between the two marks, regardless of the merchandise sold, does not constitute dilution. Respondents in the first round of this litigation failed to produce any evidence of tarnishment. This Court decided that there was a complete absence of evidence. On remand Respondents submitted no new evidence that Petitioners' use of Victor's Secret or Victor's Little Secret harmed their reputation. Again, as in round one, there is a complete absence of evidence. The Court's and Respondents' personal moralistic values as to what is sex-related and what isn't is quite amazing. Respondents' sexy lingerie, peek-a boo-panties, Booty Parlor Seduction kit (containing Add Magic lubricant), and Tease Party Seduction kit are every bit as sex-related as a personal massager sold at Petitioners' store. Without a developed record, Petitioners' goods are no more tawdry, cheap, salacious, or unwholesome than Respondents'. Like it or not, Petitioners and Respondents are both purveyors of sex-related products. The difference being, no one has ever complained about any of Petitioners' advertising as being pornographic see Pet. App. 20 n3.

3. The Eight Federal Cases That The Circuit Court And Respondents Rely On Are Dissimilar From This Case.

In all eight cases that the Circuit Court and Respondents quote, the defendant used the plaintiff's actual mark. *See* Brief in Opp. In *Pfizer Inc. v. Sachs*, 652 F. Supp. 2d 512, 525 (S.D.N.Y. 2009) where the defendants branded a missile with Pfizer's Viagra mark. Not surprisingly this case was not decided with a rebuttable presumption. The only case that had a

slight variance is *Kraft Foods Holdings, Inc. v. Helm*, 205 F. Supp. 2d 942, 949-50 (N.D. Cal., Dec. 6, 2007) where the defendant used the mark VelVeeda, which for all practical purposes, when viewed or said is the Kraft mark Velveeta. Two of the cases, *Pillsbury Co. v. Milky Way Prods., Inc.*, 215 U.S.P.Q. 124, 135 (N.D. Ga. 1981) and *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 467 F. Supp. 366, 377 (S.D.N.Y. 1979) are both prior to the FTDA and the TDRA, but both still used or depicted the plaintiff's actual mark. In this case Petitioners have never used Respondents' mark and when viewed or said Victor and Victoria are miles apart. The Circuit Court totally ignored this Court's finding in *Moseley v. V Secret Catalogue Inc.*, 537 U.S. 418 (2003) that the mere fact that consumers mentally associate the junior user's mark with a famous mark is not sufficient to establish actionable dilution. This finding holds true under the TDRA as well, where the famous mark has the burden of proving that the junior mark "harms the reputation of the famous mark".

4. **Respondents' Claim That This Court's Remand Contemplated Further Proceedings Under The Proper Legal Standard And Did Not Resolve This Case Either Way Is Incorrect.**

Respondents claim that the question presented in the first round of this litigation was whether an FTDA plaintiff must establish actual dilution or merely a likelihood of dilution. *See* Brief in Opp. 14. Respondents also claim that the only issue before this Court was whether Respondents were entitled to summary judgment, not whether Petitioners were entitled to summary judgment and that this Court's

remand contemplated further proceedings under the proper legal standard. This Court in *Moseley v. V. Secret Catalogue, Inc.*, 537 U.S. 418 (2003) *id.* at 433 held that the FTDA's text "unambiguously requires a showing of actual dilution, rather than a likelihood of dilution." The same standard that Petitioner and Respondents both argued to this Court. "The question here is not whether the FTDA requires proof that dilution is already occurring-it plainly does, *as we have shown*."(emphasis added) "All agree, in other words, that the FTDA requires proof of present dilution." *See* Brief of Respondents at 32, *Moseley v. V. Secret Catalogue, Inc.*, 537 U.S. 418 (2003). Petitioner and Respondents both, stood on their evidence submitted for summary judgment. In other words, this case was argued under the proper legal standard, actual dilution. This Court found that there was a complete absence of evidence of any lessening of the capacity of the Victoria's Secret mark to identify and distinguish their goods or services. This Court also found that the evidence in the present record is not sufficient to support the summary judgment on the dilution count in favor of respondents. "The *judgment* (emphasis added) is therefore reversed, and the case is remanded for further proceedings consistent with this opinion". All issues as a matter of law and all issues as a matter of fact were decided by this Court's decision. The only proceedings remaining to be consistent with this decision were for the Circuit and District Courts to effectuate their judicial duty and reverse their prior rulings in favor of Respondents and grant summary judgment in favor of Petitioners. Had this Court denied Petitioners' writ or affirmed the decision of the Circuit Court, Petitioners' appellate process would have been exhausted and the case would have been finished. It was not fair, equal or just to allow

Respondents another opportunity to prove their case under the FTDA or the TDRA.

5. Respondents' Claims That Applying The TDRA To This Case Was Proper And Did Not Present A Retroactivity Issue Is Preposterous.

This case began June 22, 1998 when Respondents filed suit in the United States District Court for the Western District of Kentucky. This Court decided this case in favor of Petitioners on March 4, 2003. The TDRA was signed into law on October 6, 2006. Ten plus years after this case began and five plus years after the decision of this Court, on May 19, 2008, the District Court, after retroactively applying the TDRA, rendered a decision opposite of this Court. For three years and eight months all litigants under the FTDA enjoyed the benefit, consistency, and direction of this Court's precedent decision. The lower Courts have not only deprived the Petitioner of all equity, rights, and benefits of that decision, they have subjected the Petitioner to irreparable harm, forcing them to expend countless dollars, time and effort to litigate this case again under a different standard. After all of Petitioners' expense, time and effort, the lower Courts by applying the TDRA (albeit improperly applying) have rendered this Court's decision useless to Petitioners. It is unreasonable to imagine that anyone would go through the expense, time, aggravation, and effort to not reap their just rewards. Applying the TDRA to this case after the decision of this Court, is tantamount to reopening all the cases settled under the FTDA during that three plus years until its passage and litigating those cases again because Congress intended to overrule this Court's decision.

This could not possibly be what Congress intended. Without the express intent of Congress to the contrary, all laws are prospective. It is the application of those laws at the discretion of the judicial branch which would make that law retroactive or retrospective. Simply because a law's effect is futuro, if it is applied antedated to cases, that application is retroactive giving an ex post facto effect to that law. The purpose of an injunction can not be to prevent all harm, but is to prevent future harm.

There can not possibly be a remedy for something that has not happened or that may never happen. This case was not tried before Congress. If the decision of the Circuit Court is allowed to stand, Petitioners respectfully submit that the American people would no longer need the Supreme Court. If the members of Congress whom big business have donated to, do not like the outcome of a case, they will simply rewrite the law. The Circuit Courts will hold that case until that law is rewritten, and the Circuit Court will become the final say.

CONCLUSION

The time to put out a forest fire is when it begins. Waiting could harm innocent people and cause irreparable harm. The rebuttable presumption theory of the Sixth Circuit Court of Appeals would set a different standard for those that sell sex-related products, and for those that do not. This places an extra and undue burden on those that do. This would open the door for extensive litigation as to what is sex-related, lubricants, condoms, sexy lingerie, birth control foam, personal massagers, edible body topping, or all of the above. The revisions to the FTDA did not

shift the burden of proof nor did it abrogate the responsibility of the famous mark to prove dilution by tarnishment. There can not be a remedy if there is no harm. Respondents' sole proof, under the FTDA and the TDRA, is one person out of the vast millions, that made a mental association and his unestablished claim that Petitioners' goods are more tawdry, cheap, salacious and unwholesome than Respondents'. That same person thought no less of Respondents. Respondents have not proven their case under the FTDA nor the TDRA.

For the foregoing reasons, and the reasons stated in their Petition, Petitioners urge this Court to grant their Petition for Writ of Certiorari.

Respectfully submitted,

Victor and Cathy Moseley,
Pro Se
200 Sycamore St. #173
Elizabethtown, Ky. 42701
(270) 737-5231
vmoseley@windstream.net